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A PROFESSIONAL LIMITED LIABILITY COMPANY

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WALLER LANSDEN DORTCH & DAVIS, LLP
AFFILIATED WITH THE PROFESSIONAL LIMITED LIABILITY COMPANY
520 SOUTH GRAND AVENUE, SUITE 800
LOS ANGELES, CALIFORNIA 90071
(213) 362-3680

D. Billye Sanders
(615) 850-8951
bsanders@wallerlaw.com

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2003 NOV 19 AM 11:10

T.R.A. DOWN L ROOM

WALLER LANSDEN DORTCH & DAVIS
A PROFESSIONAL LIMITED LIABILITY COMPANY
809 SOUTH MAIN STREET
POST OFFICE BOX 1035
COLUMBIA, TENNESSEE 38402-1035
(931) 388-6031

November 19, 2003

VIA HAND DELIVERY

Deborah Tate, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219

03-00607

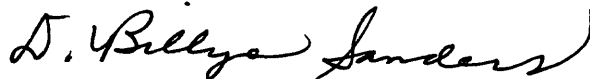
Re: In the Matter of the Application of Volunteer First Services, Inc.
For a Certificate of Public Convenience and Necessity to Provide
Competing Telecommunications Services Within the State of
Tennessee

Dear Chairman Tate:

Enclosed you will find the original and thirteen (13) copies of the
Application of Volunteer First Services, Inc. for a Certificate of Public Convenience
and Necessity to provide competing telecommunications services within the State of
Tennessee and a check for \$25.00 for the filing fee.

Please contact me if you need additional information.

Sincerely,



D. Billye Sanders
Attorney for Volunteer First
Services, Inc.

DBS/hmd
cc: Kent Rosenbury

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

**IN RE: APPLICATION OF VOLUNTEER)
FIRST SERVICES, INC. FOR A)
CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY)
TO PROVIDE COMPETING)
TELECOMMUNICATIONS SERVICES)
WITHIN THE STATE OF TENNESSEE)**

DOCKET NO. _____

**APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY TO PROVIDE COMPETING
TELECOMMUNICATIONS SERVICES**

Pursuant to T.C.A. §65-4-201 and TRA Rule 1220-4-8-.02 of the Rules of the Tennessee Regulatory Authority and Section 253 of the Federal Telecommunications Act of 1996, Volunteer First Services, Inc. ("VFS" or "Applicant") respectfully requests that the Tennessee Regulatory Authority ("TRA") grant to VFS authority to provide competing local and interexchange telecommunications services within the State of Tennessee.

In support of its Application, VFS submits the following:

1. Contact Information

For purposes of this Application, contacts for the Applicant are as follows:

Counsel for the Applicant:

D. Billye Sanders, Esq.
Waller Lansden Dortch & Davis
A Professional Limited Liability Company
511 Union Street, Suite 2100
Nashville, TN 37219
Telephone: (615) 244-6380
Facsimile: (615) 244-6804
E-mail: bsanders@wallerlaw.com

Kent Rosenbury
General Manager
Volunteer First Services, Inc.
235 O'Brien Drive
Crossville, Tennessee 38557
Telephone: (931) 484-5097
Facsimile: (931) 484-7605

After the authority is granted, for purposes of other TRA inquiries, complaints and correspondence, the contact at VFS will be as follows:

Kent Rosenbury
General Manager
Volunteer First Services, Inc.
235 O'Brien Drive
Crossville, Tennessee 38557
Telephone: (931) 484-5097
Facsimile: (931) 484-7605

For purposes of consumer inquiries, the contact after authority is granted, will be as follows:

Bobby Randolph
235 O'Brien Drive
Crossville, TN 38557
Telephone: 800-431-7908 Ext. 7210
Facsimile: (931) 484-7605

2. Applicant Information

VFS is a Tennessee corporation with its principal office located at 235 O'Brien Drive, Crossville, Tennessee 38557. A copy of VFS' Charter and Bylaws are provided in Exhibit A. Fifty percent (50%) of the stock of VFS is owned by Volunteer Energy Cooperative ("VEC") and 50% of the stock of VFS is owned by Ben Lomand Rural Telephone Cooperative, Inc. ("Ben Lomand"). The names and addresses of the directors and principal officers of VFS are listed in Exhibit B. The résumés of the principal

managers and the key technical staff are set forth in Exhibit C. An organizational chart of the corporate structure is provided in Exhibit D.

VFS does not have operations in any other state. VFS' affiliate, Ben Lomand, is an incumbent local exchange carrier in White, Warren, Van Buren, Grundy and portions of Franklin, Coffee and Bedford counties in Tennessee. Ben Lomand owns Ben Lomand Communications, Inc. ("BLC"), which is a competitive telecommunications provider authorized to serve the State of Tennessee, and currently provides service in Warren and White counties. The boards of VEC and Ben Lomand have authorized the investment in VFS as evidenced by the resolutions in Exhibit E.

3. Financial Managerial and Technical Qualifications

VFS possesses the financial, managerial and technical ability to provide competing telecommunications services in the State of Tennessee as demonstrated below.

A. Financial Qualifications

VFS is financially qualified to provide telecommunications services in Tennessee. Confidential Exhibit F contains the financial statements of VFS as of September 30, 2003. In addition, Exhibit F includes three-year pro-forma financial statements that contain projected income statements, balance sheets, statements of cash flow and a capital expenditures budget for the Applicant. These financial statements have been prepared by management. However, they are subject to adjustment by outside auditors. VFS will be funded via equity investments of its owners and/or loans until internally generated cash flow is sufficient to execute its business plan independently. Funding will also include arms-length transactions for

network/equipment leasing and administrative services. Thus, VFS possesses adequate resources and access to capital to construct, maintain and operate the proposed telecommunications system in Tennessee.

B. Managerial and Technical Qualifications

VFS has the managerial and technical resources to provide telecommunications services in Tennessee. Descriptions of the telecommunications and managerial experience of VFS' managers and key personnel are provided in Exhibit C.

4. Proposed Service Area

VFS seeks certification to offer its telecommunications services throughout the State of Tennessee. Initially, VFS intends to serve customers in the greater Crossville area, which is served by Frontier Communications of Tennessee, a large national independent incumbent local exchange carrier that serves more than 100,000 access lines in the state of Tennessee.

5. Types of Services to be Provided

VFS intends to provide local and long distance voice services along with various calling features. In addition, VFS will expand its existing operations as an Internet Service Provider to other enhanced data services. VFS proposes to provide such service using leased and/or owned facilities.

VFS requests authority to provide all forms of facilities-based and resold local exchange and interexchange telecommunications services. VFS will provide access to and support for the Tennessee Relay Center in the same manner as incumbent local exchange carriers (ILECS), access to Lifeline and Link-up services to qualifying citizens of the state, access to basic intraLATA and interLATA message toll calling,

operator services, directory assistance, directory listings, free blocking service for 900 and 976-type services and emergency services such as 911 and E911.

6. Repair and Maintenance Information

VFS will establish a toll-free number for customer inquiries that will be printed on customers' monthly billing statements. In addition, customers may contact VFS in writing at its headquarters address set forth in Section 1 of this Application.

7. Small and Minority-Owned Telecommunications Business Participation Plan

In accordance with T. C. A. § 65-5-212, the Small and Minority-Owned Telecommunications Business Participation Plan of VFS is provided as Exhibit G.

8. IntraLATA Toll Dialing Parity Plan and Interconnection Agreements

VFS will provide equal access to its network to authorized carriers as set forth in the IntraLATA Toll Dialing Parity Plan attached as Exhibit H.

9. Numbering Issues

VFS has provided a statement regarding numbering issues in Exhibit I to this Application.

10. Customer Premise Equipment ("CPE")

VFS will not require customers to purchase CPE that is not compatible with ILEC systems.

11. Statement of Compliance

VFS intends to abide by all applicable statutes and all applicable orders, rules and regulations entered and adopted by the TRA.

12. Prefiled Testimony

VFS has provided pre-filed testimony in support of its Application in Exhibit J.

13. Notice of Application

Applicant has served Notice of this Application to the eighteen (18) incumbent local exchange telephone companies and to the Consumer Advocate and Protection Division of the Office of the Tennessee Attorney General. A copy of the Notice is provided in Exhibit K.

14. Tariffs

VFS will file and maintain tariffs in the manner prescribed by the TRA. Any deposits that may be required or other costs incurred by customers to commence service will be addressed in the tariff.

15. Franchises, etc.

VFS does not currently hold franchises from any local governments for the provision of telecommunications services. VFS will, as necessary, obtain such local franchises, permits or licenses in accordance with applicable law, and submit such franchises to the TRA for approval pursuant to T.C.A. § 65-4-107.

16. Accounting System

VFS intends to maintain its books and records in accordance with Generally Accepted Accounting Principles ("GAAP"). Books, records and financial statements will be subject to adjustments by outside auditors. VFS' owners, Ben Lomand and VEC will not provide subsidies to VFS. All products, services, contract, leases, etc. will be provided in accordance with applicable laws and rules and orders of the Authority.

17. Conclusion

As demonstrated in this Application, VFS is financially, managerially and technically qualified to provide competing telecommunications services in the State of Tennessee.

WHEREFORE, VFS respectfully requests that the TRA grant it a Certificate of Public Convenience and Necessity to provide competing local telecommunications services within the State of Tennessee.

Respectfully submitted this 19th day of November, 2003.

Volunteer First Services, Inc.

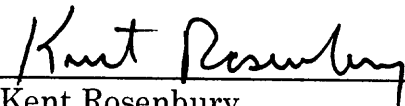
By: D. Billye Sanders
D. Billye Sanders, Esq.
Waller Lansden Dortch & Davis
A Professional Limited Liability Company
511 Union Street, Suite 2100
Nashville, TN 37219
Telephone: (615) 244-6380
Facsimile: (615) 244-6804

Counsel for Volunteer First Services, Inc.

VERIFICATION


STATE OF TENNESSEE)
) ss
COUNTY OF DAVIDSON)

I, Kent Rosenbury, being duly sworn, depose and state that I am the General Manager of Volunteer First Services, Inc. ("VFS"), the Applicant in the subject proceeding; that I am authorized to make this Verification on behalf of VFS; that I have read the foregoing Application and exhibits and know the content thereof; that the same are true and correct to the best of my knowledge, information and belief.



Kent Rosenbury

Subscribed and sworn to before me this 19th day of November, 2003.



Notary Public

My Commission Expires: March 26, 2005

Certificate of Service

I hereby certify that on this 19th day of November, 2003, that a copy of the Notice of Application for Certificate of Public Convenience and Necessity to Provide Competing Telecommunications Services set forth in Exhibit K was served by first class mail on the entities on the attached service list.

D. Billye Sanders
D. Billye Sanders, Esq.

INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES-BASED)

- 1) **ARDMORE TELEPHONE COMPANY, INC.**
P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449
(205) 423-2131
(205) 423-2208 (Fax)

- 2) **BELLSOUTH**
333 Commerce Street
Nashville, TN 37201-3300
(615) 214-3800
(615) 214-8820 (Fax)

- 3) **CENTURY TELEPHONE OF ADAMSVILLE**
P.O. Box 405
Adamsville, TN 38310
(901) 632-3311
(901) 632-0232 (Fax)

- 4) **CENTURY TELEPHONE OF CLAIBORNE**
P.O. Box 100
New Tazewell, TN 37825
(423) 626-4242
(423) 626-5224 (Fax)

- 5) **CENTURY TELEPHONE OF OOLTEWAH-COLLEGEDALE, INC.**
P.O. Box 782
Ooltewah, TN 37363
(423) 238-4102
(423) 238-5699 (Fax)

- 6) **CITIZENS COMMUNICATIONS COMPANY OF TENNESSEE**
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

- 7) **FRONTIER COMMUNICATIONS OF AMERICA**
250 South Franklin Street
P.O. Box 689
Cookeville, Tennessee 38501
(931) 528-0518
(931) 528-0604 (Fax)

INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES-BASED)

- 8) **LORETTO TELEPHONE COMPANY, INC.**
P.O. Box 130
Loretto, TN 38469
(931) 853-4351
(931) 853-4329 (Fax)
- 9) **MILLINGTON TELEPHONE COMPANY, INC.**
4880 Navy Road
Millington, TN 38053
(901) 872-3311
(901) 873-0022 (Fax)
- 10) **SPRINT-UNITED**
12 Sixth Street
Bristol, TN 37620
(423) 968-8161
(423) 968-3148 (fax)
- 11) **TDS TELECOM-CONCORD TELEPHONE EXCHANGE, INC.**
P.O. Box 22610
Knoxville, TN 37933
(423) 966-5828
(423) 966-9000 (Fax)
- 12) **TDS TELECOM-HUMPHREYS COUNTY TELEPHONE COMPANY**
P.O. Box 552
203 Long Street
New Johnsonville, TN 37134-0552
(931) 535-2200
(931) 535-3309 (Fax)
- 13) **TDS TELECOM-TELLICO TELEPHONE COMPANY, INC.**
P.O. Box 9
102 Spence Street
Tellico Plains, TN 37385-0009
(423) 671-4600
(423) 253-7080 (Fax)
- 14) **TDS TELECOM-TENNESSEE TELEPHONE COMPANY**
7407 Andersonville Pike
P.O. Box 70387
Knoxville, TN 37928
(423) 922-3535

INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES-BASED)

(423) 922-9515 (Fax)

TDS TELECOM-Knoxville Office

P.O. Box 22995

Knoxville, TN 37933-0995

(865) 966-4700

15) TEC-CROCKETT TELEPHONE COMPANY, INC.

P.O. Box 7

Friendship, TN 38034

(901) 677-8181

16) TEC-PEOPLE'S TELEPHONE COMPANY, INC.

P.O. Box 310

Erin, TN 37061

(931) 289-4221

(931) 289-4220 (Fax)

17) TEC-WEST TENNESSEE TELEPHONE COMPANY, INC.

P.O. Box 10

244 E. Main Street

Bradford, TN 38316

(901) 742-2211

(901) 742-2212 (Fax)

18) UNITED TELEPHONE COMPANY

P.O. Box 38

120 Taylor Street

Chapel Hill, TN 37034

(931) 364-2289

(931) 364-7202 (Fax)

19) CONSUMER ADVOCATE AND PROTECTION DIVISION

Russell Perkins, Esq.

Office of Consumer Advocate and Protection Division

Tennessee Attorney General & Reporter

425 Fifth Avenue North

Nashville, Tennessee 37202-0207

LIST OF EXHIBITS

<u>Exhibit A</u>	Articles of Incorporation and Bylaws of Volunteer First Services, Inc. (VFS)
<u>Exhibit B</u>	Names and addresses of directors and principal officers of VFS
<u>Exhibit C</u>	Résumés of the principal managers and key technical staff of VFS
<u>Exhibit D</u>	Chart of corporate structure of VFS
<u>Exhibit E</u>	Board resolutions of VEC and Ben Lomand
<u>Exhibit F</u>	Financial statements of VFS including three-year pro-forma and capital expenditures budget (Confidential - Filed under seal)
<u>Exhibit G</u>	Small and Minority-Owned Telecommunications Business Participation Plan
<u>Exhibit H</u>	IntraLATA Toll Dialing Parity Plan
<u>Exhibit I</u>	Statement regarding numbering issues
<u>Exhibit J</u>	Pre-filed testimony
<u>Exhibit K</u>	Notice to incumbent carriers and Consumer Advocate and Protection Division

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- Exhibit B Names and addresses of directors and principal officers of VFS
- Exhibit C Résumés of the principal managers and key technical staff of VFS
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- Exhibit H IntraLATA Toll Dialing Parity Plan
- Exhibit I Statement regarding numbering issues
- Exhibit J Pre-filed testimony
- Exhibit K Notice to incumbent carriers and Consumer Advocate and Protection Division

Exhibit A

Charter and Bylaws of Volunteer First Services, Inc. (VFS)

CHARTER

OF

VOLUNTEER FIRST SERVICES, INC. SECRETARY OF STATE

RECEIVED

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The undersigned natural person, having capacity to contract and acting as the Incorporator of the Corporation under the Tennessee Business Corporation Act, Tennessee Code Annotated Section 48-11-101, and adopts the following Charter for said Corporation:

1. The name of the Corporation is:

VOLUNTEER FIRST SERVICES, INC.

2. The address of the principal office of the corporation in the State of Tennessee

shall be Highway 58, North, Decatur, Meigs County, Tennessee 37322.

3. The registered agent for service of process for the corporation is William M.

Buchanan, Highway 58, North, Decatur, Meigs County, Tennessee 37322.

4. The corporation is authorized to issue one thousand (1,000) shares of no par

value common capital stock with unlimited voting rights.

5. The corporation is for profit.

6. The existence of the corporation is perpetual.

7. The name and address of the Incorporator is J. Harvey Cameron, 100 Lawyers

~~Building~~, Courthouse Square, P. O. Box 759, Jasper, Marion County, Tennessee, 37347.

DATED: October 16, 1998.

J. Harvey Cameron
J. Harvey Cameron, Incorporator

p:\office\wpwin\wpdos\corporat\volunte\charter.org

STATE OF TENNESSEE, MEIGS COUNTY	
I, JANIE B. STINER, REGISTER OF SAID COUNTY,	
HEREBY CERTIFY THAT THE WITHIN <u>Charter</u>	
WAS FILED IN MY OFFICE ON THE <u>27th</u> DAY OF	
<u>Oct</u> 19 <u>98</u> , AT <u>1:15 P.</u> M. NOTED IN	
BOOK <u>5</u> PAGE <u>348</u>	RECORDED IN
BOOK <u>Misc 22</u> PAGE <u>648-649</u>	
<u>Janie Stiner</u>	REGISTER

649

CORPORATE BY-LAWS
OF
VOLUNTEER FIRST SERVICES, INC.

ARTICLE I

DURATION, PURPOSE AND LOCATION OF CORPORATION

The name of this corporation shall be Volunteer First Services, Inc. Its duration and purpose shall be as expressed in the original Certificate of Incorporation of the corporation and such amendments or changes therein as may be made from time to time. Its principal office shall be Highway 58, North Decatur, Meigs County, Tennessee, and in such other places in and/or without the State of Tennessee as the Board of Directors may, from time to time, designate or the business of the corporation may require.

ARTICLE II

FISCAL YEAR

The fiscal year shall begin on the 1st day of January of each year and end on the last day of December of the same year.

ARTICLE III

MEETING OF SHAREHOLDER

1. Annual Meeting. The annual meeting of the Shareholder shall be held at such time and place, either within or without this state, as may be designated from time to time by the Directors. Unless the time is otherwise specified by the Directors, said meeting shall be held on the First Monday of May of each year or as close thereto as practicable.

2. Special Meetings. Special meetings of the Shareholder may be called by the President, a majority of the Board of Directors or by the holders of not less than one-tenth (1/10) of all the shares entitled to vote at such meeting. The place of said meetings shall be designated by

the Directors.

3. Notice of Shareholder Meeting. Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called and the person or persons calling the meeting, shall be delivered either personally or by mail by or at the direction of the president, Secretary, officer or person calling the meeting to each Shareholder entitled to vote at the meeting. If mailed, such notice shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting and shall be deemed to be delivered when deposited in the United States mail addressed to the Shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid. If delivered personally, such notice shall be delivered not less than five (5) nor more than sixty (60) days before the date of the meeting and shall be deemed delivered when actually received by the Shareholder. The person giving such notice shall certify that the notice required by this paragraph has been given.

4. Quorum Requirements. A majority of the shares entitled to vote shall constitute a quorum for the transaction of business. A meeting may be adjourned despite the absence of a quorum and notice of an adjourned meeting need not be given if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. When a quorum is present at any meeting, a majority in interest of the stock there represented shall decide any question brought before such meeting, unless the question is one upon which, by express provisions of this corporation's character, these By-Laws, or by the laws of Tennessee, a larger or different vote is required, in which case, such express provisions shall govern the decision of such question.

5. Voting and Proxies. Every Shareholder entitled to vote at a meeting may do so either in person or by written proxy, which proxy shall be filed with the Secretary of the meeting before being voted. Such proxy shall entitle the holders thereof to vote at any adjournment of such meeting but shall not be valid after the final adjournment thereof. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy.

ARTICLE IV

BOARD OF DIRECTORS

1. Qualification and Election. Directors need not be Shareholder or residents of this state, but must be of legal age. They shall be elected by a plurality of the votes cast at the annual meetings of the Shareholder. Each Director shall hold office until the expiration of the term for which he is elected and thereafter until his successor has been elected and qualified.

2. Number. The number of Directors shall be fixed from time to time by the Stockholders or by a majority of the entire Board of Directors but shall never be less than the number required by the law.

3. Meetings. The annual meeting of the Board of Directors shall be held immediately after the adjournment of the annual meeting of the Shareholder, at which time, the officers of the corporation shall be elected. The Board may also designate more frequent intervals for regular meetings. Special meetings may be called at any time by the Chairman of the Board, President or any two (2) Directors.

4. Notice of Directors' Meetings. The annual and all regular Board meetings may be held without notice. Special meetings shall be held upon notice sent by any usual means of

communication not less than three (3) days before the meeting.

5. Quorum and Vote. The presence of majority of the Directors shall constitute a quorum for the transaction of business. A meeting may be adjourned despite the absence of a quorum and notice of an adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken and if the period of adjournment is taken and if the period of adjournment does not exceed thirty (30) days in any one adjournment. The vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the vote of a greater number is required by the Charter, these By-Laws or by the laws of Tennessee.

6. Executive and Other Committees. The Board of Directors by resolution adopted by a majority of its members, may designate an executive committee, consisting of two or more Directors and other committees consisting of two or more persons, who may or may not be Directors, and may delegate to such committee or committees any and all such authority as it deems desirable, including the right to delegate to any executive committee the power to exercise all the authority of the Board of Directors in the management of the affairs and property of the corporation.

ARTICLE V

OFFICERS

1. Number. The corporation shall have a President and a Secretary and such other officers as the Board of Directors shall, from time to time, deem necessary. Any two or more offices may be held by the same person, except the offices of President and Secretary.

2. Election and Term. The officers shall be elected by the Board at its annual meeting. Each officer shall serve until the expiration of the term for which he is elected and

thereafter until his successor has been elected and qualified.

3. Duties. All officers shall have such authority and perform such duties in the management of the corporation as are normally incident to their offices and as the Board of Directors may, from time to time, provide.

ARTICLE VI

RESIGNATIONS, REMOVALS AND VACANCIES

1. Resignations. Any officer or Director may resign at any time by giving written notice to the Chairman of the Board, the President or the Secretary. Any such resignation shall take effect at the time specified therein, or if no time is specified, then upon its acceptance by the Board of Directors.

2. Removal of Officers. Any officer or agent may be removed by the Board whenever, in its judgment, the best interests of the corporation will be served thereby.

3. Removal of Directors. Any or all of the Directors may be removed either with or without cause by a proper vote of the Shareholder; and may be removed with cause by a majority vote of the entire Board.

4. Vacancies. Newly created directorships resulting from an increase in the number of Directors and vacancies occurring in any office or directorship for any reason, including removal of an officer or Director, may be filled by the vote of a majority of the Directors then in office, even if less than a quorum exists.

ARTICLE VII

CAPITAL STOCK

1. Stock Certificates. Every Shareholder shall be entitled to a certificate or

certificates of capital stock of the corporation in such form as may be prescribed by the Board of Directors. Unless otherwise decided by the Board, such certificates shall be signed by the President and the Secretary of the corporation.

2. Transfer of Shares. Shares of stock may be transferred on the books of the corporation by delivery and surrender of the properly assigned certificate but subject to any restrictions on transfer imposed by either the applicable securities of law or any Shareholder agreement.

3. Loss of Certificates. In case of the loss, mutilation or destruction of a certificate of stock, a duplicate certificate may be issued upon such terms as the Board of Directors shall prescribe.

ARTICLE VII

ACTION BY CONSENT

Whenever the Shareholder or Directors are required or permitted to take any action by vote, such action may be taken without a meeting by written consent, setting forth the actions so taken, signed by all the persons or entities entitled to vote thereon.

ARTICLE IX

AMENDMENT OF BY-LAWS

These By-Laws may be amended, added to, or repealed either by: (1) a majority vote of the shares represented at any duly constituted Shareholder's meeting, or, (2) a majority vote of the entire Board of Directors. Any change in the By-Laws made by the Board of Directors, however, may be amended or repealed by the Shareholder.

CERTIFICATE

I certify that these By-Laws were adopted at the organizational meeting of the corporation held on the 19 day of October, 1999.

HB Galbraith

Exhibit B

Names and addresses of directors and principal officers of VFS

Names and Addresses of Directors and Principal Officers of Volunteer First Services

Directors

Levoy Knowles

Chairman of the Board of Volunteer First Services

Chief Executive Officer of Ben Lomand Rural Telephone Cooperative, Inc.

P.O. Box 670

311 N. Chancery Street

McMinnville, TN 37111-0670

William M. Buchanan

President Volunteer Energy Cooperative

18359 Highway 58 N.

P.O. Box 277

Decatur, TN 37322

Randy Bond

Executive Vice President of Cumberland County Bank

3503 Highway 70 East

Crossville, TN 38555

James W. (Bill) Hickey

538 Turntable Road

Sparta, TN 38583

Principal Officer that is not a Director

Kent Rosenbury, General Manager

Exhibit C

Résumés of the principal managers and key technical staff of VFS

Kent Rosenbury

Kent Rosenbury is General Manager of Volunteer First Services, Inc. He has over twenty-four years of experience in the telecommunications industry. He served as Regional Vice President of Marketing for XO Communications (Nashville, TN) from 1996-2000, where he had a pivotal role in growing the start-up competitive local exchange carrier from zero revenues to \$250 million in annual revenue within five years. Prior to his position at XO, he was employed at GTE Telephone Operations for 19 years at various locations (Fort Wayne and Indianapolis, IN; Tampa, FL; Stamford, CT and Irving, TX) and in various areas, including accounting, budgeting, financial planning and analysis, treasury, business planning, market planning and marketing. He also served as an Executive of ebiz-America in Nashville. Most recently Mr. Rosenbury has been Owner/Consultant with The KR Group, which provides consulting in the areas of operations management, business development, strategic planning, marketing, communications, customer care, and team leadership for existing and start-up companies.

Mr. Rosenbury has a B.S. in Accounting and a Masters of Business Administration from Indiana University. Mr. Rosenbury is also a member of the Board of Directors of Sales and Marketing Executives.

Levoy Knowles

Levoy Knowles is Chairman of Board of Volunteer First Services. He also serves as Chief Executive Officer of Ben Lomand Rural Telephone Cooperative, Inc. He has approximately 22 years of experience in the telecommunications industry. Mr. Knowles began his employment with Ben Lomand Rural Telephone Cooperative in 1981 as a staff assistant in accounting. Prior to becoming CEO in 2000, he also served in the capacities of administrative assistant, assistant manager and general manager.

Under the leadership of Mr. Knowles, the Cooperative has constructed one of the most technically advanced networks available in today's environments for rural areas. The network consists of over 1200 miles of SONET based fiber rings connecting each of the Cooperative's 17 wire centers. In addition, the Cooperative has constructed fiber connections to each of the more than 200 remote sites, providing over 99% of the customer base to be within 18,000 of a fiber point. This allows up to date services and features to be offered to its members and/or patrons, including DSL availability to 100% of its customers. This Cooperative, under Mr. Knowles direction, was the second rural local exchange company in the nation to purchase and install a DMS500 for the purpose of switching traffic for inter-exchange carriers.

Under Mr. Knowles guidance, Ben Lomand Communications, Inc., an affiliate of Ben Lomand Rural Telephone Cooperative, was initially created to furnish long distance resale, however, it is now a certified competitive local exchange carrier ("CLEC") in Tennessee, providing a competitive alternative in rural markets.

Mr. Knowles is a graduate of Tennessee Technological University in Cookeville, Tennessee, with a Bachelor of Science degree in Business Administration, with a major in Accounting. He is also a Certified Public Accountant.

Prior to his career in the telecommunications industry, Mr. Knowles was employed in the accounting department of Bridge Builders, Inc. He later worked as an employee, and finally a partner, in a local accounting firm headquartered in McMinnville, Tennessee.

Mr. Knowles' other professional and civic involvements including the following:

- Member of the American Institute of CPA's
- Member of the Tennessee Society of CPA's
- First National Bank of McMinnville – Board of Directors
- Member of McMinnville Noon Rotary Club

- Past President and current Director of the Tennessee Telecommunications Association
- USTA Board of Directors
- Tennessee Technology Center's General Advisory Committee
- Iris Networks – Board of Directors
- Rural Independent Competitive Alliance (RICA) Board of Directors
- United Medical Group – Board of Directors

Judy Kelsey

Judy Kelsey is the General Sales & Management Liaison for Volunteer First Services, Inc. In that capacity, she will be responsible for sales and start-up management. She has 34 years experience in the telecommunications industry. She is the Plant Supervisor of Plant Administration and Marketing Coordinator for Ben Lomand Rural Telephone Cooperative, Inc., having previously served in the accounting department of the Cooperative, where she was responsible for all outside plant accounting functions.

Ms. Kelsey also is the Operations Manager for Ben Lomand Communications, Inc. She was one of the original planners of the new company, and is responsible for all aspects of Ben Lomand Communications, Inc. day-to-day operations.

Ms. Kelsey is a graduate of Draughon's Business College in Nashville.

Patricia B. Hurley

Patricia Hurley is the Manager of Customer Services for Volunteer First Services, Inc. She also serves as Manager of Member Services for Volunteer Energy Cooperative. She has over thirteen years experience in marketing and public relations, having worked as Marketing Coordinator for Volunteer Energy Cooperative, Project Coordinator for Marketing of the Center for Business and Industry at Virginia Highlands Community College, and Director of Public Information at North East State Technical Community College.

Ms. Hurley holds a B.S. in Applied Organizational Management from Tusculum College in Greenville, Tennessee and an MBA from East Tennessee State University. She is a former officer of the National Council for Marketing and Public Relations.

Rodney E. Schlimmer

Rodney Schlimmer will serve as the Engineer for Volunteer First Services, Inc. Mr. Schlimmer has had over 43 years experience in the communications industry. For the past 35 years, Mr. Schlimmer has been employed by Ben Lomand Rural Telephone Cooperative, Inc., in various technical positions. For the past 10 years, Mr. Schlimmer has served as Network Operations Manager overseeing the day-to-day operations as well as strategic technical planning. During his tenure at the Cooperative, his duties have included maintaining digital switching and transmissions systems. He was instrumental in placing in service a DMS500 Nortel Switch, which was the second such switch placed in service in the United States for a local exchange carrier. He also supervised the implementation of the first cooperative-owned access tandem in Tennessee, the first public exchange carrier to become a regional interexchange carrier, development of the first independent multi-ring SONET fiber networks in the state, and implemented a competitive local exchange carrier operation in middle Tennessee.

Mr. Schlimmer received his electronics training in the U.S. Air Force, where he served in various capacities in the United States and Europe. His duties included maintaining tropospheric transmission and tactical ground communications. From 1964-1968, Mr. Schlimmer engineered, installed and tested microwave and multi-flex carrier systems for GTE Lenkurt, which at the time was one of the industry leaders in telecommunications transmissions systems.

Exhibit D

Chart of corporate structure of VFS

Corporate Structure of Volunteer First Services, Inc.

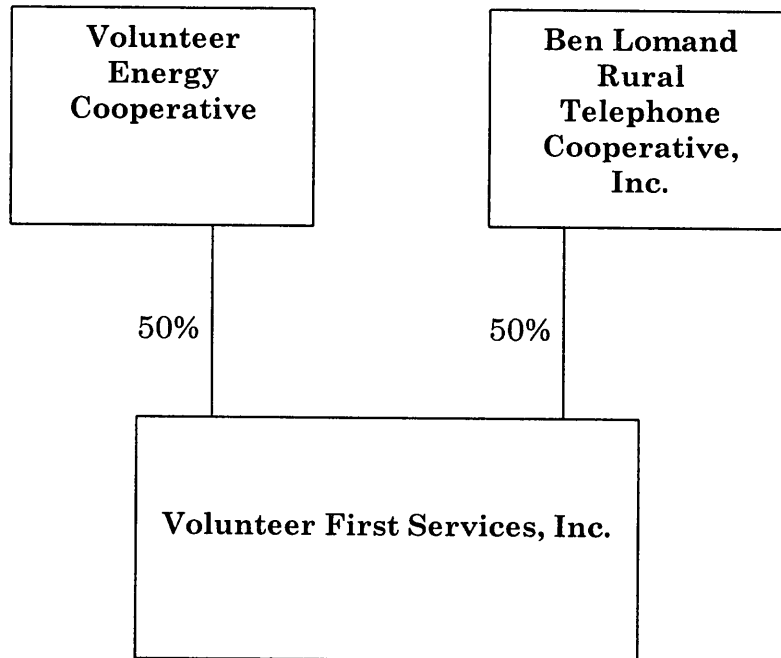


Exhibit E

Board resolutions of VEC and Ben Lomand

**REGULAR MEETING OF BOARD OF DIRECTORS
OF
VOLUNTEER ENERGY COOPERATIVE
DECATUR, TENNESSEE
April 23, 2003**

A regular meeting of the Board of Directors of Volunteer Energy Cooperative was held in the Board room of the Volunteer Energy Cooperative Corporate Office, Decatur, Tennessee commencing at 9:30 A.M. eastern time on April 23, 2003, pursuant to Article V, Section 5.01 of the Bylaws.

Chairman Carmichael called the meeting to order and asked Director Laney Colvard to give the invocation.

The following Directors were present:

Gene Carmichael	Kenneth Vaden
Larry Storie	Jim Brooks
Jerry Henley	Sammy Norton
Laney Colvard	Randy Bond
Charlie Fitch	Aubie Smith
Marvin Stinnett	

Said persons being all the Directors of Volunteer Energy Cooperative. Also present were Mr. William M. Buchanan, President; Mr. Harvey Cameron, Attorney; Ms. Alesia McNelley, Executive Secretary; Mr. Clyde Jolley, Manager Operations; Mr. Duel Grubb, Manager Management Information Services; Mr. Rody Blevins, Manager System Planning and Engineering; Mr. Bill Schmidt, Manager Accounting and Finance and Ms. Patty Hurley, Manager Member Services.

Chairman Carmichael presented the March 28, 2003, Board of Directors' meeting minutes asking for corrections or additions to the minutes. Director Kenneth Vaden made a motion and Director Larry Storie seconded to approve the minutes as presented. Motion carried unanimously.

VOLUNTEER FIRST SERVICES REORGANIZATION

Attorney Harvey Cameron explained that with the Volunteer First Services, Inc., (VolFirst) reorganization two new Board members are needed. One member is VEC's President/CEO and one is a current VEC Board member. The unanimous consensus of the Board was to nominate Director Randy Bond to serve on the Board with President Buchanan.

Director Laney Colvard made a motion and Director Jerry Henley seconded to accept the assigning of VolFirst's interest in Volunteer Energy, L.L.C. to Volunteer Energy Cooperative. This motion carried unanimously.

Director Jim Brooks made a motion and Director Larry Storie seconded allowing a stock sale of VolFirst stock equal to the amount that VEC has, contingent that all agreements with Ben Lomand Telephone Cooperative are completed as planned. This motion carried unanimously.

Director Jim Brooks made a motion and Director Aubie Smith seconded allowing President Buchanan and Director Randy Bond to serve as Board members on the VolFirst Board of Directors effective May 8, 2003. This motion carried unanimously.

Director Laney Colvard made a motion and Director Sammy Norton seconded recommending that the four current Volunteer First Services Board members remain as representatives of VEC which is one of the members of Volunteer Energy, L.L.C. This motion carried unanimously.

There being no further business to come before the Board of Directors, the meeting was adjourned_____

Exhibit F

Financial statements of VFS including
Three-year pro-forma and capital expenditures budget
(Confidential - filed under seal)

Exhibit G

Small and Minority-Owned Telecommunications Business Participation Plan

SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN

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SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN

1.0 PLAN

- 1.1 This small and minority-owned telecommunications business participation plan ("Plan") is submitted by Volunteer First Services, Inc. (also referred to as the "Company") pursuant to T.C.A. §65-5-212.
- 1.2 The Administration of this Plan is the responsibility of Volunteer First Services, Inc. It is the intent of Volunteer First Services, Inc. to provide an opportunity for Small Businesses, and Minority-Owned Businesses to compete for subcontracts awarded by Volunteer First Services, Inc. on a fair and equitable basis with all certified telecommunication suppliers and contractors.

2.0 DEFINITIONS

- 2.1 Small Business-For the purpose of this Plan, "Small Business" means a business with annual gross receipts of less than four million dollars (\$4,000,000) per T.C.A. §65-5-212.
- 2.2 Minority Business-For the purpose of this Plan, "Minority Business" means a business that is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned by an individual who personally manages and controls the daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000) per T.C.A. §65-5-212.

3.0 PLAN RESPONSIBILITY

- 3.1 It is the intent of Volunteer First Services, Inc. to afford Small and Minority-Owned Telecommunications Businesses an opportunity to participate in the performance of contracts in accordance with T.C.A. §65-5-212.
- 3.2 This plan is a statement of objectives and is not intended to create any legal obligations of Volunteer First Services, Inc. to any person.

4.0 PLAN PERIOD OF EFFECTIVENESS

- 4.1 Volunteer First Services, Inc. is committed to providing affirmative access to contracting opportunities for Small and Minority-Owned

Telecommunications Businesses. Volunteer First Services, Inc. is proactive and will move toward inclusion of such firms in the telecommunications supplier base. This plan represents an on-going commitment by the Company, and has no fixed time period for effectiveness.

5.0 PLAN ADMINISTRATION

5.1 Volunteer First Services, Inc. will designate an employee to have the responsibility of administering the Plan and developing and implementing policies and procedures to allow for the success of Volunteer First Services, Inc. efforts to purchase goods and services from Small and Minority Owned Telecommunications Businesses.

5.2 The current employee who has been designated as the Plan Administrator is:

Kent Rosenbury
235 O'Brien Drive
Crossville, Tennessee 38557

Phone: (931) 484-5097
Fax: (931) 484-7605

5.3 The Administrator's specific job duties, as they relate to this Plan are as follows:

- (a) Develops and maintains a Supplier Master List which is a listing of Small and Minority-Owned Telecommunications Businesses who are deemed eligible to be telecommunications suppliers for Volunteer First Services, Inc.
- (b) Establishes and maintains policies and procedures to ensure that Small and Minority-Owned Telecommunication Businesses have an equitable opportunity to be awarded contracts.
- (c) Maintains Small and Minority-Owned Telecommunications Businesses related correspondence and record keeping.
- (d) Coordinates activities during the conduct of any compliance review by the Tennessee State agencies.

6.0 PLAN TO ASSURE EQUITABLE OPPORTUNITY

6.1 The Administrator shall ensure that appropriate source listings and services are properly utilized in support of this Plan. Sources / listings include, but are not limited to the following:

- (a) The Volunteer First Services, Inc. approved Master Supplier List.
- (b) Information received from the Small Business Administration Procurement Automated Source System ("PASS").
- (c) Information sources received from the TN Department of Economic Development's Office of Minority Business Enterprise and Small Business Office.
- (d) Information received from the local Chamber of Commerce.

6.2 Outreach efforts will be made as follows:

- (a) The Administrator shall cultivate and maintain relationships with Small Business trade associations and business development organizations in an effort to locate and qualify capable Small and Minority-Owned Telecommunications Businesses for participation in contracting opportunities.
- (b) The Administrator shall ensure that Volunteer First Services, Inc. provides adequate and timely consideration of the potentialities of Small and Minority-Owned Telecommunications Businesses in "make or buy" decisions.
- (c) Offer assistance and counseling to explain requests for bids and quotations, technical and quality assurance requirements, types of business specifically being sought from outside suppliers and the mechanics of the Company's procurement process.

7.0 PLAN REPORTING

7.1 Volunteer First Services, Inc. will submit such periodic reports and cooperate in those studies or surveys as may be required to determine the extent of compliance with this Plan.

7.2 Volunteer First Services, Inc. will maintain, if required, the following types of records:

- (a) Source lists, guides, and other data that identify Small and Minority-Owned Telecommunications Businesses.

- (b) Lists of organizations contacted in an attempt to locate sources that are Small and Minority-Owned Telecommunications Businesses.
 - (c) Records of any outreach efforts to contact trade associations, business development organizations, and conference and trade fairs attended.
- 7.3 Volunteer First Services, Inc. Supplier Master List identifies Small and Minority-Owned Telecommunications Businesses. The Supplier List shall be utilized in identifying potential contractors. A summary sheet shall be maintained in each supplier's file and shall be reviewed and evaluated by the Plan Administrator.

Exhibit H

IntraLATA Toll Dialing Parity Plan

Volunteer First Services, Inc.

Crossville, Tennessee

IntraLATA Toll Dialing Parity Plan

Submitted to the
Tennessee Regulatory Authority
November, 2003

IntraLATA Toll Dialing Parity Plan

Table of Contents

- 1.0 Purpose
- 2.0 Implementation Schedule and Cost Recovery
- 3.0 Carrier Selection Procedures
- 4.0 Carrier Notification
- 5.0 Customer Choice
- 6.0 Operator Services and Directory Assistance
- 7.0 Anti-Slamming Measures

1. Purpose

Volunteer First Services, Inc. (VFS) described herein the process for implementing intraLATA toll dialing parity in the VFS exchanges located in the state of Tennessee. The intent of this Plan is to provide a proposal for providing customers the ability to select the telecommunications carrier of their choice for routing their intraLATA toll calls without the use of an access code.

VFS intends to comply with all of the rules and regulations of the Federal Communications Commission and the Tennessee Regulatory Authority.

2. Implementation Schedule and Cost Recovery

VFS currently has no local exchange telecommunications customers. Coincident with the launch of service, customers will be able to subscribe to the carrier of their choice for intraLATA as well as interLATA long distance service (dual-PLC subscription capability). Customers will dial 1+ the area code and number to complete calls using their subscribed carrier. If customers wish to complete a toll call using a carrier other than their subscribed carrier, they will need to dial that carrier's access code.

Every end office switch will be equipped with the capability of allowing each end user subscriber to select "no-PLC" as a valid intraLATA subscription selection. Customers selecting "no-PLC" as their subscribed carrier will not be able to make intraLATA toll calls on a 1+ or 0+ dialed basis. Such customer will need to dial an access code each time he or she makes an intraLATA call.

In 1992, toll-free intraLATA countywide calling was initiated for all Local Exchange Carriers via an order from the Tennessee Public Service Commission. BellSouth currently maintains tax-code billing tables to identify "free-county-wide" intraLATA toll calls originated by VFS intraLATA toll customers and to ensure that billing does not occur on these calls. VFS will continue to process toll-free intraLATA county-wide calls in this manner for toll customers after implementation of intraLATA toll dialing as long as technically feasible.

VFS will provide intraLATA toll dialing parity in Tennessee at the time customer service is available.

VFS will not invoke any specific charges to recover the cost of implementing dialing parity.

3. Carrier Selection Procedures

VFS will implement the full Two-PLC carrier selection methodology. With the full Two-PLC methodology, customers will be able to subscribe to one

telecommunications carrier for interLATA toll calls and subscribe to the same or a different participating telecommunications carrier, for intraLATA toll calls.

4. Carrier Notification

Interexchange carriers will be notified of VFS' intraLATA toll dialing parity implementation via Certified U. S. Mail at the same time they are notified of our Competitive Local Exchange Carrier operation. Certified carriers who enter the market after implementation will be added to the list of participating carriers within 30 days of notifying VFS.

5. Customer Choice

VFS customer contact representatives will be provided discussion guidelines for contacts with new customers. These guidelines will:

- A. Inform the customers that a choice of intraLATA toll providers is available to him or her.
- B. Offer to read the customer a list of available carriers in a randomly generated order.
- C. Advise the customer that various carriers provide intraLATA toll service.

Customers who do not make a positive choice for an intraLATA toll carrier will be notified they will automatically defaulted to a "no-PIC" status and will be required to dial an access code to place intraLATA toll calls until they make an affirmative choice for an intraLATA toll carrier.

VFS customers may elect to change their intraLATA toll carrier. Customers may make this selection through their own initiative or as a result of the promotional marketing activities of participating intraLATA toll carriers. Customers may communicate their choice of carriers to VFS directly or through their selected carriers.

Customers will be assessed a PIC change charges for changing their intraLATA carrier at the intraLATA tariff rate. When customers request a simultaneous change to the same carrier for their interLATA and intraLATA service, VFS will assess one PIC charge from the interLATA tariff and a reduced rate from the intraLATA tariff. Two full PIC change charges (an interLATA charge and an intraLATA charge) will be assessed if different carriers are chosen.

VFS employees who communicate with the public, accept customer orders, and serve in customer service capacities will be trained to explain to customers the process for making PIC changes for intraLATA toll calls. Business Office personnel and the Customer Account Records system will be prepared to make changes in

customer records based upon requests from customers or carriers and direct customers to their chosen intraLATA carriers.

6. Operator Services and Directory Assistance

Access to Operator Services and Directory Assistance will continue to be available through VFS or the customer's interLATA carrier. No industry standard exists for access To Operator Services and Directory Assistance unique to intraLATA services. For Operator Services, customers dial "0" to reach their local exchange operator and "00" to reach their interLATA operator. For Directory Assistance, customers dial "1-411" for accessing the local exchange Directory Assistance and dial "1 -NPA-555-1212" for accessing their interLATA carrier's Directory Assistance.

7. Anti-Slamming Measures

VFS will work with customers who have been switched from their InterLATA or IntraLATA PIC choice without their knowledge or consent (slammed). VFS will work quickly to resolve any disputes and ensure the customer's PIC selection is returned to their carrier of choice, without charge to the customer, as soon as possible. Additionally, a charge will be established for unauthorized PIC changes submitted by carriers to VFS for end-user customers.

Exhibit I

Statement regarding numbering issues

Volunteer First Services, Inc.

Statement Regarding Numbering Issues

1. Demand for NXXs per NPA

The Company estimates there are approximately 10,000 business lines in Crossville. Additionally, the Company expects the vast majority of business will be facilitated through the porting of numbers from the incumbent local exchange carrier. Given the company's market penetration assumptions and the expected porting of numbers, the first year of operation will require about 5,000 numbers within the 931 NPA. These requirements will be increase as the business grows, perhaps outside of the 931 NPA.

2. Number of NXXs to be requested

The company expects to request one (1) NXX for the 931 NPA upon the establishment of service.

3. NPA for Service Footprint

The Company's initial service footprint will be Crossville and the greater Crossville area, which is within the 931 NPA. Further expansion in Tennessee within and beyond the 931 NPA will be evaluated based upon the potential success in other markets and the level of success achieved in the Crossville market.

4. Sequential Assignment of Telephone Numbers

The Company will utilize the assignment of telephone numbers to its greatest advantage in the competitive market place. This may include the assignment of numbers in a non-sequential manner or the reserving of small blocks of numbers for a particular customer.

5. Conservation of Numbering Resources

The Company understands the need to conserve telephone numbers and supports the efforts of the FCC and TRA to do so. The Company will take all practical actions to conserve the use of telephone numbers including:

- ♦ Charging fees for special "vanity" numbers
- ♦ Assigning numbers from blocks which have been tapped already for assignment
- ♦ Re-using numbers where service has been permanently discontinued
- ♦ Consulting with equity owner Ben Lomand Rural Telephone Cooperative, Inc. on the best practices for number utilization

Additionally, the company will apply for a partial NXX since it does not foresee the initial demand requiring a full NXX.

6. Percentage Fill Expected Before Ordering New NXXs

The ordering of a new NXX will depend upon the overall market penetration success and the speed of customer acquisition. The Company's business plan assumes a substantial market share in Crossville within the first two years. The use of numbers to satisfy this demand is obviously based upon how blocks of numbers are reserved and the assignment pattern of individual numbers. The Company's current plan is to order additional numbers once its number allocation has been 60% assigned or reserved.

Exhibit J

Pre-filed testimony

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

**IN RE: APPLICATION OF VOLUNTEER)
FIRST SERVICES, INC. FOR A)
CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO) DOCKET NO. _____
PROVIDE COMPETING)
TELECOMMUNICATIONS SERVICES)
WITHIN THE STATE OF TENNESSEE)**

PRE-FILED TESTIMONY OF KENT ROSENBURY

1 I, Kent Rosenbury, do hereby testify as follows in support of the Application of Volunteer
2 First Services, Inc. ("VFS") for a Certificate of Public Convenience and Necessity to provide
3 competing telecommunications services within the State of Tennessee.

4 **Q. PLEASE STATE YOUR FULL NAME, BUSINESS ADDRESS AND TITLE.**

5 **A.** My name is Kent Rosenbury and my business address is 235 O'Brien Drive, Crossville,
6 Tennessee. I am the General Manager of Volunteer First Services, Inc.

7 **Q. PLEASE DESCRIBE YOUR DUTIES AND RESPONSIBILITIES FOR**
8 **VOLUNTEER FIRST SERVICES, INC.**

9 **A.** I will manage the operations of the company including, but not limited to, hiring,
10 training, and leading employees, managing the application process and service launch,
11 coordinating network construction, acquiring and retaining customers and ensuring
12 regulatory and legal compliance.

13
14 **Q. PLEASE DESCRIBE THE CURRENT CORPORATE STRUCTURE OF VFS.**

15 **A.** VFS is a Tennessee corporation. Fifty percent (50%) of its stock is owned by Volunteer
16 Energy Cooperative and fifty percent (50%) of its stock is owned by Ben Lomand Rural
17 Telephone Cooperative, Inc.

1 **Q. WHAT SERVICES DOES VFS PLAN TO OFFER IN TENNESSEE?**

2 **A.** VFS seeks authority to provide a full range of facilities-based and resold local exchange
3 services, and interexchange services. VFS intends to provide local and long distance
4 voice services along with various calling features. VFS will provide access to and
5 support for the Tennessee Relay Center, access to Lifeline and Link-up services to
6 qualifying citizens of the state, access to basic intraLATA and interLATA message toll
7 calling, operator services, directory assistance, directory listings, free blocking for 900
8 and 976-type services and emergency services such as 911 and E911. VFS currently
9 provides unregulated Internet services. Upon approval of the Application and before
10 commencing service, VFS will file its initial tariff with the TRA setting forth the services
11 that it will offer as well as the rates, charges and regulations for such services.

12 **Q. WHAT IS THE PROPOSED SERVICE AREA OF VFS?**

13 **A.** VFS seeks certification to offer its telecommunications services throughout the state of
14 Tennessee. However, initially, VFS intends to serve business customers in the greater
15 Crossville area.

16 **Q. PLEASE DESCRIBE THE MANAGERIAL AND TECHNICAL QUALIFICATIONS**
17 **OF VFS.**

18 **A.** VFS possesses the managerial and technical qualifications to provide
19 telecommunications services in Tennessee. As described in the biographical information
20 accompanying its Application, the management team of VFS has extensive management
21 and business experience in the telecommunications industry. I have had more than 24
22 years of experience in the telecommunications industry. I was formerly the Regional
23 Vice President of marketing for XO Communications and played a key role in growing
24 the company's revenues during the start-up phase. I also authored tariffs and opened 6
25 new markets and supported 350 sales representatives. I was also employed for 19

1 years by GTE Telephone Operations where during the course of my employment I had
2 responsibilities in a variety of areas including: accounting, budgeting, financial
3 planning and analysis, treasury, business planning, market planning and marketing.
4 In addition, I have done consulting work for start-up and existing companies in the
5 areas of operations management, business development, strategic planning, marketing,
6 communications, customer care and team leadership.

7
8 During the start-up phase VFS will contract with Ben Lomand Rural Telephone
9 Cooperative, Inc. and Volunteer Energy Cooperative for employees to provide services in
10 the areas of sales, operations management, customer service and engineering. The
11 resumes of Judy Kelsey, General Sales & Management Liaison, Patricia Hurley,
12 Manager of Customer Services, and Rodney Schlimmer, Engineer are included in
13 Exhibit C of the Application. Ms. Kelsey has 34 years experience in the
14 telecommunications industry and Mr. Schlimmer has over 43 years experience in
15 telecommunications. Ms. Hurley has over 13 years of experience in marketing and
16 public relations.

17
18 Levoy Knowles, the Chairman of the Board of VFS, has over 22 years of experience in
19 the telecommunications industry.

20 **Q. PLEASE DESCRIBE THE FINANCIAL QUALIFICATIONS OF VFS.**

21 **A.** VFS will be funded by its owners via equity investments and/or loans until its internally
22 generated cash flow is sufficient to execute its business plan independently. The
23 confidential pro-formas filed with the Application project the use of equity, loans and
24 anticipated revenue for the next 3 years.

1 **Q. WILL VFS USE THE FACILITIES OF VOLUNTEER ENERGY AND/OR BEN**
2 **LOMAND TELEPHONE CO-OP?**

3 **A.** Yes, VFS will lease fiber and circuits from VES and Ben Lomand Rural Telephone
4 Cooperative at market rates.

5 **Q. WILL VFS AND ITS OWNERS HAVE PROCEDURES IN PLACE TO PREVENT**
6 **SUBSIDIES FROM THE OWNERS TO VFS?**

7 **A.** Yes. Ben Lomand and VES will not provide subsidies to VFS.

8 **Q. WILL GRANTING A CERTIFICATE OF PUBLIC CONVENIENCE AND**
9 **NECESSITY TO VFS SERVE THE PUBLIC INTEREST?**

10 **A.** Yes. VFS's initial service will be in small communities where there tends to be less
11 competition. Competition in these areas will benefit the public by increasing customer
12 choice for users of local exchange and interexchange services. This increase in
13 competition will in turn result in higher quality service for business customers in
14 Tennessee who are currently not served by multiple carriers.

15 **Q. HAS VFS FILED A SMALL AND MINORITY-OWNED BUSINESS**
16 **PARTICIPATION PLAN?**

17 **A.** Yes.

18 **Q. HAS VFS FILED A TOLL DIALING PARITY PLAN?**

19 **A.** Yes.

20 **Q. WILL VFS OFFER TELECOMMUNICATIONS SERVICES IN AREAS SERVED**
21 **BY INCUMBENT LOCAL EXCHANGE CARRIERS WITH LESS THAN 100,000**
22 **ACCESS LINES?**

23 **A.** The initial service of VFS will be in the Crossville area, which is served by the
24 incumbent local exchange carrier, Frontier Communications of Tennessee which has in
25 excess of 100,000 access lines in the state. Consistent with state and federal law, VFS

1 may however expand its service to other small communities that may be served by
2 ILECs that have less than 100,000 access lines.

3 **Q. IS VFS AUTHORIZED TO PROVIDE TELECOMMUNICATIONS SERVICES IN**
4 **ANY OTHER STATE?**

5 **A. No.**

6 **Q. HAS VFS BEEN INVOLVED IN ANY PERTINENT MERGERS OR**
7 **ACQUISITIONS?**

8 **A. No.**

9 **Q. HAS VFS INCLUDED ANY RECIPROCAL COMPENSATION RELATED TO**
10 **TERMINATING INTERNET SERVICE PROVIDER TRAFFIC IN ITS**
11 **FINANCIAL PROJECTIONS?**

12 **A. No.**

13 **Q. DOES VFS INTEND TO COMPLY WITH ALL APPLICABLE STATUTES, RULES**
14 **AND ORDERS PERTAINING TO THE PROVISION OF**
15 **TELECOMMUNICATIONS SERVICES IN TENNESSEE?**

16 **A. Yes.**

17 **Q. ARE ALL STATEMENTS IN THE APPLICATION OF VFS FOR A CERTIFICATE**
18 **OF CONVENIENCE AND NECESSITY FILED BEFORE THE TENNESSEE**
19 **REGULATORY AUTHORITY TRUE AND CORRECT TO THE BEST OF YOUR**
20 **KNOWLEDGE, INFORMATION AND BELIEF?**


21 **A. Yes.**

22 **Q. DOES THIS CONCLUDE THIS TESTIMONY?**

23 **A. Yes.**

VERIFICATION

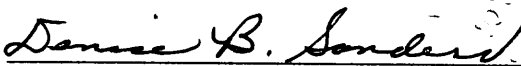
I, Kent Rosenbury, declare under penalty of perjury that I am authorized by Volunteer First Services, Inc. to testify on its behalf, that I have caused the foregoing written testimony to be prepared on my behalf, that I have read the foregoing testimony and that the statements contained therein are true and correct to the best of my knowledge, information and belief.



Kent Rosenbury
General Manager
Volunteer First Services, Inc.

STATE OF TENNESSEE)
)
COUNTY OF DAVIDSON)

Sworn to and subscribed before me this 19th day of November, 2003.



Notary Public
My Commission Expires: March 26, 2005

Exhibit K

Notice to incumbent carriers and Consumer Advocate and Protection Division

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

**IN RE: APPLICATION OF VOLUNTEER
FIRST SERVICES, INC. FOR A
CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY
TO PROVIDE COMPETING
TELECOMMUNICATIONS SERVICES
WITHIN THE STATE OF TENNESSEE**

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DOCKET NO. _____

**NOTICE OF APPLICATION FOR CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE
COMPETING TELECOMMUNICATIONS SERVICES**

Pursuant to T.C.A. §65-4-201, Volunteer First Services, Inc. hereby serves notice of its filing with the Tennessee Regulatory Authority ("TRA") an application for a certificate of public convenience and necessity to provide competing telecommunications services in Tennessee on this 19th day of November, 2003. Copies of the Application are available from the TRA.

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